

House File 344 - Introduced

HOUSE FILE 344

BY HAGENOW

A BILL FOR

1 An Act relating to recovery of prejudgment interest in relation
2 to an offer to confess judgment.

3 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

1 Section 1. NEW SECTION. **677.10A Prejudgment interest.**

2 If any offer to confess judgment is made under this chapter
3 and is not accepted, and a subsequent trial results in a
4 judgment which is less than the offer to confess judgment,
5 prejudgment interest shall not be calculated or be subject to
6 recovery after the date of the offer to confess judgment.

7 EXPLANATION

8 This bill limits recovery of prejudgment interest in any
9 pending or proposed action where an offer to confess judgment
10 is made, but is not accepted, and a subsequent trial results in
11 a judgment that is less than the amount in the offer to confess
12 judgment. In such a case, no prejudgment interest is to be
13 calculated or is recoverable after the date of the offer to
14 confess judgment.